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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

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OFFICE OF AIR AND RADIATION

MEMORANDUM

SUBJECT: Policy on SIP Revisions Requesting Compliance Date

Extensions for VOC Sources

FROM: J. Craig Potter

Assistant Administrator for Air and Radiation

TO: Regional Administrators

Regions I-X -

A number of States have asked EPA to approve SIP revisions granting compliance date extensions for individual VOC sources in ozone nonattainment areas. The attached policy sets forth EPA's position on when approval of such SIP revisions is appropriate and what the States must demonstrate in order for EPA to approve them. Regional Offices should review the requests for SIP revisions for conformance to this policy. SIP revisions now pending at Headquarters will also need to be reviewed by the Regions in light of this policy.

cc: Richard H. Mays, OECM
 Gerald A. Emison, OAOPS
 Alan Eckert, OGC
 Air Division Directors, Regions I-X
 Regional Counsels, Regions I-X

Policy on SIP Revisions Requesting Compliance Date Extensions for VOC Sources

In order to approve a source-specific compliance date extension, two tests must be met. First, a State must demonstrate that the extension will not interfere with timely attainment (attainment by the formally established attainment date) and maintenance of the ozone standard and, where relevant "reasonable further progress" (RFP) towards timely attainment. The attainment date will generally be December 31, 1982, or the date established under Section 110 where the State has adequately responded to a request for SIP revisions under §110(a)(2)(H), or December 31, 1987 in ozone extension areas. The demonstration may be based on a comparison between the margin for attainment predicted by the demonstration submitted with the approved ozone SIP 2/ and the increased emissions that would result under the proposed compliance date extension. there is an adequate margin to absorb the increased emissions (and the extension would not interfere with RFP), then EPA may conclude that the compliance date extension will not interfere with the attainment and continued maintenance of the ozone standard.

 $[\]underline{1}/$ The reference to a demonstration of RFP towards timely attainment is not intended to redefine RFP but only reaffirms that an RFP analysis is required.

^{?/} For areas where revisions to the Part D SIP are required (such as 1987 extension areas or SIP call areas) and those revisions have not been fully approved, the State would-have to submit a demonstration the equivalent of that required for EPA approval of the ozone SIP. Without an approvable demonstration EPA cannot determine whether the individual compliance date extension will interfere with timely attainment and maintenance of the standard, or with RFP. A de minimes showing would not be acceptable, since in the aggregate even very small sources would contribute significantly to ozone formation.

^{3/} In making such a comparison it will be necessary to determine what, if any, portion of the margin has been utilized by new sources of VOCs that may have located in the area since the SIP was approved, as well as by existing VOC sources that may have already been granted compliance date extensions.

If the State or EPA believes that there has been a substantial change in the inventory of VOC sources or total VOC emissions since the ozone SIP was approved so that the margin of attainment has changed significantly, a revised demonstration in support of the source-specific SIP revision should be submitted. 4/

Second, time extensions also must be consistent with the requirement that nonattainment area SIPs provide for "implementation of all reasonably available control measures as expeditiously as practicable" [\$172(b)(2)]. Expeditiousness should be demonstrated by determining when the source was first put on notice of the applicable requirement (e.g., adoption of the current regulation by the State) and the time that has elapsed since then. EPA has generally determined that for most VOC sources this period is less than three 5/ Any source-specific SIP revision for a compliance date extension within these timeframes may be presumed to be expeditious. Compliance date extensions for periods longer than these timeframes, however, should be closely scrutinized to determine whether or not they are truly expeditious. $\underline{6}$ This should include an examination of the compliance status of other sources nationally in the same VOC source category (this examination would be the responsibility of the State), and the most expeditious means of compliance available (including add on control equipment, process change, or raw material improvement) irrespective of the method proposed in the SIP

^{4/} Such a demonstration would be necessary, for example, in areas originally demonstrating attainment by 1982, but for which post-1982 monitoring data are indicating exceedances of the ozone standard or raising serious questions about the original prediction of attainment.

^{5/} For three source categories (can coating operations, graphic arts printing and automotive assembly plant paint shop operations), based on industry experience EPA has through policy statements concluded that expeditiousness may be longer than three years.

^{6/} The same holds true for review of individual compliance date extensions incorporated in any area-wide ozone SIP revisions submitted by a State (such as those being submitted pursuant to an EPA SIP call under Section 110(a)(2)(H)). Any change in the original deadline for an individual VOC source incorporated in an area-wide ozone SIP revision must be demonstrated to be expeditious (as well as not interfere with timely attainment and maintenance).

revision. Unless it can be shown that the original timeframe approved in the SIP did not allow sufficient time for an economically and technologically feasible compliance plan to be implemented, a SIP revision for a compliance date extension beyond the timeframes set forth above should be denied.

In conclusion, both the demonstration of timely attainment (including RFP where relevant) and maintenance and the expeditiousness tests must be met before a State SIP revision can be approved.

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